

fair housing, such as discrimination in the sale or rental of housing or in advertising, provision of brokerage services or lending;

(b) Promoting fair housing choice through the expansion of homeownership opportunities and improved quality of services for minorities, families with children, and persons with disabilities; or

(c) Providing housing mobility counseling services.

(4) (5 Points) *Budget*. HUD will consider the extent to which the budget presentation is consistent with the Work Plan and the dollars indicated on the HUD 424 Form. The budget submission should follow the narrative statement in this factor and include the following documents:

(a) HUD 424-C "Budget Summary for Competitive Grant Programs". This budget form shows the costs for the each budget category for the program's entire period of performance.

(b) HUD 424 CB "Grant Application Detailed Budget". This budget form must show the total budget by year and by line item for the program activities to be carried out. This will be a functional budget. Each year of the program should be presented separately.

All budget forms must be completed in full. If an application is selected for award, the applicant may be required to provide greater specificity to the budget during grant agreement negotiations.

(c) *Budget-Narrative*. A narrative explanation of how the applicant arrived at the cost estimates, for any line item, including match items, over \$5,000. For example, a van rental, \$150 per month  $\times$  36 months equals \$5,400. The proposed cost estimates should be reasonable for the work to be performed and consistent with rates established for the level of expertise required to perform the work proposed in the geographical area. When necessary, quotes from various vendors or historical data should be used and included. All direct labor or salaries must be supported with mandated city/state pay scales, Davis-Bacon wage rates (if applicable) or other documentation. When an applicant proposes to use a consultant, the applicant must indicate whether there is a formal agreement or written procurement policy. For each consultant, please provide the name, if known, hour or daily fee, and the estimated time on the project. If applicants propose to undertake: rehabilitation of residential, commercial and/or industrial structures; and/or acquisition, construction, or installation of public facilities and improvements, applicants must submit one appraisal from a qualified certified appraiser other

than the institution. Such an entity must be involved in the business of housing rehabilitation, construction and/or management. Guidance for securing these estimates can be obtained from the local HUD Office of Community Planning and Development. Equipment and contracts cannot be presented as a total estimated figure. For equipment applicants must provide a list by type and cost for each item and explain how it will be used. Applicants using contracts must provide an individual description and cost estimate for each contract.

Indirect costs attributed to a particular project functional category should be listed as "Indirect Costs" under that category. Indirect costs are allowable only if an applicant has a federally approved indirect cost rate. A copy of the institution's negotiated indirect cost rate as issued by the cognizant federal agency must be attached to the budget sheets when submitting an application.

Make sure that the amount shown on the HUD 424, the budget forms, and on all other required program forms is consistent and the budget totals correct. Remember to check addition in totaling the categories on the HUD 424C and HUD 424-CB form so that all items are included in the total. If there is an inconsistency between any of the forms required, the HUD 424C form will be used. If upon checking the addition HUD finds that an applicant has added incorrectly, the HUD 424-CB will be revised accordingly. Please note that this would be considered a substantive rather than a technical error. If this correction puts an application over the grant maximum, the applicant will not be able to correct the amount requested and the application will be disqualified.

#### **Rating Factor 4: Leveraging Resources (10 Points)**

This factor addresses the ability of the applicant to secure community resources that can be combined with HUD's grant funds to achieve the program's purpose.

In evaluating this factor, HUD will consider the extent to which the applicant established partnerships with other entities to secure additional resources to increase the effectiveness of the proposed activities. Resources may include funding or in-kind contributions, such as services or equipment, allocated to the purpose(s) of the grant. Resources may be provided by governmental entities, public or private nonprofit organizations, for-profit private organizations, or other entities. Applicants may also establish partnerships with other program funding recipients to coordinate the use

of resources in the target area. Please note that the value of the time of individuals serving on the program's advisory board cannot be counted as an in-kind contribution. Overhead and other institutional costs (e.g., salaries) that the institution has waived may be counted. However, higher points will be awarded if an applicant secures leveraging resources from sources outside the institution. Examples of potential sources for outside assistance:

- State and local governments
- Housing Authorities
- Local or national nonprofit organizations
- Banks and/or private businesses
- Foundations
- Faith-based and other community based organizations.

For each match, cash or in-kind contribution to the program a letter of commitment, memorandum of understanding, or agreement must be provided that shows the extent and firmness of the commitment of leveraged funds (including any commitment of resources from the applicant's own institution) in order for these resources to count in determining points under this factor. Resources will not be counted for which there is no commitment letter, memorandum of understanding, or agreement, nor quantified level of commitment. Letters, memoranda of understanding, or agreements must be submitted from the provider on the provider's letterhead and be included with the application package. The date of the letter, memorandum of understanding, or agreement from the CEO of the provider organization must be dated no earlier than the date of this published SuperNOFA. Applications that do not include evidence of leveraging will receive zero (0) points for this Factor.

A firm commitment letter, memorandum of understanding, or agreement must address the following:

(a) The cash amount contributed or dollar value of the in-kind goods and /or services committed (If a dollar amount and use is not shown, the source cannot be counted towards the match requirement);

(b) Specifically indicate how the match is to be used;

(c) The date the match will be made available and a statement that describes the duration of the contribution. If any of the matching sources are for more than one year, the commitment letter, memorandum of understanding, or agreement must state the number of years, the per year commitment, and the total commitment. Without this statement, HUD will assume that the commitment is for only one year;